

**OPTION FOR THE PROPOSED SALE AND PURCHASE OF PROPERTY OF A SUBSIDIARY**

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**1. Option to Purchase**

The Board of Directors of Stamford Land Corporation Ltd (the “Company”) wishes to announce that Plantique Investment Pte Ltd (“Plantique”), its wholly-owned subsidiary, has entered into an Option To Purchase (the “Option”) with Ms Carmen Chong Pau Ying and/or Nominee (the “Purchaser”) in relation to the sale of Plantique’s property at 100C Pasir Panjang Road Singapore 118516 (the “Property”) for a cash consideration of S\$23,000,000.00 (the “Sale Price”). The Option expires on 28 January 2010.

**2. Sale Price**

The Sale Price was arrived at on a willing-buyer and willing-seller basis, taking into account current market conditions. The Sale Price will be satisfied in the following manner:

- (i) the Purchaser has paid a non-refundable cash deposit (“Initial Deposit”) of S\$230,000.00 (1% of the Sale Price);
- (ii) upon exercise of the Option, a deposit of S\$1,150,000.00 (5% of the Sale Price), comprising the Initial Deposit and an additional S\$920,000.00 shall be furnished by the Purchaser; and
- (ii) S\$21,850,000.00 (95% of the Sale Price) shall be paid upon completion of the sale of the Property, which is expected on or before 30 April 2010.

**3. Rationale**

The net book value of the Property as at 31 March 2009 was approximately S\$18.51 million. The sale of the Property is expected to result in a gain on disposal of approximately S\$4.26 million, for the financial year ending 31 March 2010.

The opportunity to dispose of the Property at the Sale Price is attractive, given the generally lackluster market outlook for industrial properties, and low rental yields for the Property. It will also allow the Group to realize the profit of S\$4.26 million and to free up cash for deployment into future, profitable ventures.

The Directors have carefully considered these factors and are of the view that it is in the best interests of the Company to enter into the Option for the sale of the Property.

#### 4. Financial Effects

For illustrative purposes only, assuming the sale had been completed during the last financial year ended 31 March 2009 (“FY2009”):-

- (i) the Company’s net tangible assets per share would have increased by 0.49 Singapore cent per share, for FY2009; and
- (ii) the Company’s earnings per share would have increased by 0.52 Singapore cent per share, for FY2009.

#### 5. Voluntary Disclosure

5.1 Non-discloseable Transaction. The proposed sale of the Property is in the ordinary course of the Company’s business and does not fall under Chapter 10 of the SGX Listing Manual. Notwithstanding that, the Company wishes to announce the transaction according to Rule 1008(2) of the Listing Manual, in consonance with good corporate governance practices.

For illustrative purposes only, the effects of the disposal of the Property, with reference to the relative figures set out in Rule 1006 of the Listing Manual as at 30 September 2009 are as follows:-

- (i) The net asset value (“NAV”) of the Property to be disposed of, compared with the Group’s NAV 4.43%
- (ii) The net operating loss attributable to the assets to be disposed of, compared with the Group’s net profits 0.74%
- (iii) The aggregate value of the consideration received, compared with the Company’s market capitalization (based on weighted average price of 45.16 Singapore cents per share) 5.90%
- (iv) The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue Not applicable

5.2 Interests of Directors and Substantial Shareholders. As far as the Company is aware, no Director or Substantial Shareholder of the Company has any interest, direct or indirect, in the transaction.

BY ORDER OF THE BOARD

TEO LAY ENG  
COMPANY SECRETARY  
21 JANUARY 2010